Interest rate on agricultural loan

1668. SHRI EKANATH K. THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that inspite of the Finance Minister's announcement in the budget that the commercial banks would charge a lower interest rate on loans for agriculture, the proposal has still not been implemented;

(b) if so, the reasons therefor; and

(c) the action Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Consequent on the statement made while presenting Union Budget on 28th February, 2003 regarding the need for passing on the benefits of lower rates of interest to agriculture and the SSI Sector, the Indian Banks Association (IBA) has advised all its member banks on 5th March, 2003 to take appropriate action in the matter of introduction of interest rate band of 2% above and below its Prime Lending Rate (PLR) for secured advances. Subsequently the IBA on 12.7.2003 advised all public sector banks that the rate of interest on crop loan upto Rs. 50,000/- should not exceed 9%.

Attachment of properties of defaulting NBFCs

1669. SHRI ABANI ROY: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to empower the Company Law Board to order unconditional attachment of properties of defaulting non-banking financial companies in a bid to ensure investors' protection against vanishing companies;

(b) if so, whether the attachment of properties of defaulting NBFCs is going to protect investors; and

(c) if so, to what extent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Financial Companies Regulation Bill, 2000, is at present under consideration of Government. In this it is proposed that Company Law Board (CLB) would continue to